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UNITED STATES OF AMERICA

11 UNITED STATES DISTRICT COURT

12 FOR THE CENTRAL DISTRICT OF CALIFORNIA

13 UNITED STATES OF AMERICA,

14 Plaintiff,

15 v.

16 MARINA SARKISYAN,

17 Defendant.

No. CR 18-00288-SVW

18 OPPOSITION TO DEFENDANT'S
APPLICATION FOR RECONSIDERATION OF
ORDER SETTING CONDITIONS OF
RELEASE

19 Date: September 10, 2020
Time: 2:00 p.m.
Location: Courtroom of the Hon.
Gail J. Standish

20 Plaintiff United States of America, by and through its counsel
21 of record, the Attorney for the United States, Acting Under Authority
22 Conferred by 28 U.S.C. § 515, and Assistant United States Attorneys
23 Alexander F. Porter and Valerie Makarewicz, hereby files its
24 Opposition to Defendant's Application for Reconsideration of Order
25 Setting Conditions of Release.
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1 This Opposition is based upon the attached memorandum of points
2 and authorities, the files and records in this case, and such further
3 evidence and argument as the Court may permit.

4 Dated: September 2, 2020

Respectfully submitted,

5 TRACY L. WILKISON
6 Attorney for the United States,
7 Acting Under Authority Conferred by
8 28 U.S.C. § 515

9 BRANDON D. FOX
10 Assistant United States Attorney
11 Chief, Criminal Division

12 /s/
13 ALEXANDER F. PORTER
14 VALERIE L. MAKAREWICZ
15 Assistant United States Attorneys

16 Attorneys for Plaintiff
17 UNITED STATES OF AMERICA
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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Defendant Marina Sarkisyan is currently awaiting trial in this health care fraud case. The indictment alleges that defendant participated in a multi-million dollar health care fraud conspiracy where defendant and her co-conspirators billed health insurance companies for medical services that were never provided to patients. Trial is scheduled for April 20, 2021.

Defendant has been released on bond since she was arrested on May 22, 2018. As part of her conditions of release, the Court imposed standard conditions that required defendant to relinquish her passport and restricted travel to the Central District of California. Now, defendant is seeking to have her passport returned to her so that she can renew it, and then make travel plans to take a vacation with her husband to either Armenia or Mexico. The government opposes defendant's application.

First, the government submits that defendant's passport and travel restrictions continue to be necessary to mitigate defendant's risk of flight. Defendant is originally from Armenia and she continues to have family ties to the country. Moreover, defendant's actions while on supervision cast doubt upon defendant's trustworthiness and whether she could be relied upon to return to the United States. In October 2018, Pretrial Services sent an information letter to the Hon. Stephen V. Wilson to notify the Court that defendant had attempted suicide and, as a result, was hospitalized. Since that incident, defendant has been receiving intensive mental health treatment as part of her Pretrial Supervision in this case. Fortunately, this treatment appears to have helped

1 defendant, but the government submits that defendant's conduct while
2 on Pretrial Supervision raises questions about defendant's emotional
3 stability and her judgment. It would be extremely unwise to place
4 trust in this defendant to return to the United States from
5 international travel.

6 Second, there is no valid reason for the Court to lift the
7 restrictions on defendant's travel and to permit defendant to travel
8 abroad, especially in the middle of a global pandemic. Defendant's
9 application is based on defendant's desire to take a vacation.
10 Defendant would not be able to receive the mental health treatment
11 that she needs while traveling abroad. Moreover, there is no good
12 reason for defendant to travel abroad, and in fact such travel could
13 put defendant and others at risk. The State Department has issued
14 travel advisories for the two countries that defendant may travel to
15 - Armenia or Mexico - and is advising against international travel to
16 those countries during the pandemic.

17 Therefore, for all of the foregoing reasons, the Court should
18 deny defendant's application to modify the conditions of her release.
19 The Court should not permit defendant to obtain her passport or to
20 travel internationally.

21 **II. STATEMENT OF FACTS**

22 **A. The Charges Against Defendant in the First Superseding** 23 **Indictment**

24 Defendant is charged in this case along with four other co-
25 defendants with participating in a conspiracy and a scheme to commit
26 health care fraud. FSI ¶¶ 11, 16, 18. Defendant is charged with one
27 count of conspiracy to commit health care fraud, in violation of 18
28

1 U.S.C. § 1349, and thirteen counts of health care fraud, in violation
2 of 18 U.S.C. § 1347. Id.

3 The FSI alleges that from in or around January 2012 to April
4 2017, defendant conspired with her co-defendants and others to submit
5 false and fraudulent claims for reimbursement to private health
6 insurance plans. Id. ¶ 11. Defendant and the other co-conspirators
7 operated the scheme out of two different clinics, first at a clinic
8 named R&R Med Spa, which was located in Studio City, California, and
9 then at a clinic named Nu-Me Aesthetic and Anti-Aging Center ("Nu-Me
10 Spa"), which was located in Woodland Hills, California (collectively
11 the "Clinics"). Id. ¶¶ 1-2.

12 The FSI alleges that defendant induced patients to come to the
13 Clinics by promising that the patients could receive free or
14 discounted cosmetic procedures, including Botox injections and laser
15 hair removal, if the patients provided their health insurance
16 information to the co-conspirators at the Clinics. Id. ¶ 12(a)-(b).
17 After receiving the health insurance information from the patients,
18 defendant and her co-conspirators would cause fraudulent claims to be
19 submitted to health insurance companies for medical services that
20 were never provided to the patients, and based on those fraudulent
21 billings, would calculate a "credit" that they would give to the
22 patients to receive free cosmetic procedures. Id. ¶ 12(c)-(d).

23 During the course of the conspiracy, defendant and her co-
24 conspirators caused claims to be submitted to the health insurance
25 programs in the total amount of approximately \$20 million, and based
26 on those claims, the health insurance companies paid approximately \$8
27 million. Id. ¶ 13.

1 Trial in this matter is currently scheduled for April 20, 2021.
2 Dkt. 179. The parties estimate the trial will last approximately two
3 weeks. Dkt. 176.

4 **B. Defendant's Bail Conditions and Conduct While on Pretrial**
5 **Supervision**

6 Defendant was arrested in this case on May 22, 2018. Dkt. 20.
7 The Court released defendant from custody on bail and set appropriate
8 conditions for defendant's release. Dkt. 24. Defendant posted a
9 \$50,000 appearance bond with an affidavit of surety without
10 justification signed by defendant's son, Vahan Sarkisyan. Id. The
11 Court ordered defendant to surrender all passports, and defendant
12 surrendered her United States passport to Pretrial Services on May
13 22, 2018. Dkt. 24, 87. The Court also ordered defendant's travel
14 restricted to the Central District of California. Dkt. 24.

15 On October 3, 2018, Pretrial Services filed an information
16 letter with the Hon. Stephen V. Wilson related to defendant. Dkt.
17 118. In the letter, Pretrial Services informed the Court that on
18 September 27, 2018, defendant attempted suicide by medication
19 overdose and was transported to Providence Medical Center in San
20 Pedro, California for medical care. Id. at 2. Defendant was
21 transferred to the Providence psychiatric care unit to receive mental
22 health services. Id. On October 2, 2018, defendant was discharged
23 from the Providence Medical Center. Id.

24 Since that incident in 2018, defendant has been receiving
25 intensive mental health treatment. Based on information from
26 Pretrial Services, it appears that defendant's mental health
27 treatment has been helping defendant manage her depression and other
28 mental health issues.

1 **III. ARGUMENT**

2 **A. Defendant's Conditions of Supervised Release Continue to be**
3 **Necessary to Mitigate Defendant's Risk of Flight**

4 Defendant's request for permission to engage in international
5 travel should be denied because defendant continues to pose a risk of
6 flight, and the conditions that the Court previously imposed continue
7 to be necessary to mitigate that risk. At defendant's initial bail
8 hearing, the Court imposed the standard conditions of release to
9 require defendant to surrender her passport and to restrict
10 defendant's travel to the Central District of California. It makes
11 no sense for the Court to lift those restrictions now so that
12 defendant can go on a vacation.

13 Indeed, defendant still maintains foreign ties to Armenia.
14 Defendant is originally from Armenia and undoubtedly has extensive
15 ties to the country. Indeed, defendant's application notes that
16 defendant wants to "take along her aging and ill mother so that she
17 can visit her homeland one last time." App. at 2.

18 Moreover, defendant is facing a significant sentence in this
19 case if she is convicted. Each of the fourteen counts charged
20 against defendant carry a 10-year statutory maximum penalty, and
21 given the amount of loss to the health insurance companies in this
22 case, defendant faces a significant sentence if she is convicted at
23 trial. Thus, defendant would have a clear incentive to flee the
24 jurisdiction if she is given the opportunity to do so.

25 Finally, given defendant's conduct while on supervision in this
26 matter, the Court should have serious doubts about whether defendant
27 could be trusted to travel internationally and then return to the
28 United States before the current trial date of April 20, 2021. As

1 noted above, defendant attempted suicide and was hospitalized in
2 September and October 2018. She has been receiving intensive mental
3 health treatment since then. The government is pleased to hear that
4 this treatment has been effective for defendant. However, given
5 defendant's prior conduct, questions remain about defendant's
6 emotional stability and whether she can be trusted to make
7 responsible decisions. As a result, the government submits that it
8 is too risky for the Court to remove the restrictions that have been
9 placed on defendant's ability to engage in international travel.

10 In sum, the government submits that the conditions of
11 defendant's release - i.e., that she relinquish her passport and not
12 travel internationally - remain necessary to mitigate defendant's
13 risk of flight in this case. See 18 U.S.C. § 3142(c) (the Court is
14 required to set conditions that will "reasonably assure" defendant's
15 future appearances in this case).

16 **B. Defendant Has Provided No Good Reason to Allow Defendant to**
17 **Engage in International Travel**

18 In addition, defendant's application does not make any showing
19 of a valid reason for defendant to engage in international travel
20 that would outweigh the need for defendant's conditions of pretrial
21 release to remain in place. Indeed, the reason for defendant's
22 application is that she wants to take a vacation with her husband to
23 either Armenia or Mexico. App. at 2. However, defendant's desire to
24 travel for vacation is not a sufficient reason to justify lifting
25 common-sense restrictions that the Court put in place to mitigate
26 defendant's risk of flight.

27 Furthermore, defendant is seeking to travel internationally in
28 the midst of a global pandemic, where any travel - much less

1 international travel - is strongly discouraged. This decision by
2 defendant to attempt to travel during the pandemic casts further
3 doubt on defendant's judgment. The State Department has issued
4 travel advisories for both Armenia and Mexico. The travel advisory
5 for Armenia is a Level 3, and states that travelers should reconsider
6 travel to Armenia due to COVID-19.¹ The travel advisory for Mexico
7 is a Level 4, and states that travelers should not travel to Mexico
8 due to COVID-19 risks.² Defendant could be putting herself or others
9 (e.g., her elderly mother) at risk by choosing to travel
10 internationally under these unsafe conditions. Moreover, defendant
11 would not be able to receive the intensive mental health treatment
12 that she needs if she was permitted to travel outside of the country
13 for an unspecified period of time.

14 In sum, the government submits that defendant's desire to go on
15 an international vacation is not a valid justification for lifting
16 the conditions that this Court put in place and to take the risk that
17 defendant would flee the jurisdiction and not return.

18 **IV. CONCLUSION**

19 For the foregoing reasons, the government respectfully requests
20 that this Court deny defendant's application for reconsideration of
21 the Court's order setting conditions of release.

26 ¹ See <https://travel.state.gov/content/travel/en/traveladvisories/traveladvisories/armenia-travel-advisory.html>.

28 ² See <https://travel.state.gov/content/travel/en/traveladvisories/traveladvisories/mexico-travel-advisory.html>.